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CINCPAC ALSO FOR POLAD

E.O. 11652: GDS

TAGS: PGOV, PINT, TH

SUBJECT: THE INTERNAL POLITICAL SITUATION IN THAILAND AFTER EIGHT WEEKS OF THE SANYA GOVERNMENT

REF: BANGKOK 19209 (EXDIS)

SUMMARY: THIS MESSAGE DESCRIBES AND EVALUATES THE PRESENT SITUATION IN THAILAND, AND GIVES OUR BEST JUDGMENT ON THE SHORT AND LONGER TERM COURSE OF EVENTS HERE. THE REFTEL, WHICH WAS ORIGINALLY DRAFTED AS PART OF THIS EVALUATION, CONTAINS A COMPLETE SUMMARY OF THIS MESSAGE TOGETHER WITH AN ANALYSIS OF IMPLICATIONS FOR THE US MILITARY PRESENCE IN THAILAND. SECTION VI OF THIS MESSAGE, GOVERNMENT PROSPECTS, CONFIDENTIAL

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IS A REPEAT IN FULL OF SECTION III OF THE REFTEL FOR THE

BENEFIT OF THIS MESSAGE'S WIDER WASINGTON READERSHIP. END SUMMARY.

I. BACKGROUND

- 1. THE OCTOBER EVENTS RELEASED TENSIONS THAT HAD BEEN BUILDING TOWARD THE END OF THE THANOM GOVERNMENT'S TEN YEAR REIGN. FEW OF THE CHANGES WHICH HAVE OCCURRED ARE CAST IN CONCRETE. THE THREE FORMER LEADERS, HOWEVER, ARE PERMANENTLY OUT OF POWER. THE BLOOD STIGMA ATTACHED TO THEM, LIKE THAT ASSOCIATED WITH FORMER PRIME MINISTER PRIDI PHANOMYONG, PROBABLY MEANS PERMANENT EXILE, THE TRADITIONAL FATE OF OUSTED PRIME MINISTERS. THE OCTOBER EVENTS SAW THE MONARCHY AND STUDENT MOVEMENT PLAY UNIQUE ROLES. A MORE CAUTIOUS ROLE FOR THE MILITARY CHARACTERIZES THE AFTERMATH OF THE THANOM GOVERNMENT'S COLLAPSE.
- 2. WHILE THE KING PREVIOUSLY AVOIDED IDENTIFICATION WITH POLITICAL POLICIES, HE DID MONITOR GOVERNMENT FUNCTIONING. FOR YEARS HE HAD TAKEN A SPECIAL INTEREST IN STUDENTS, PERSONALLY PASSING OUT EVERY DIPLOMA TO UNIVERSITY GRADUATES. DURING THE STUDENT DEMONSTRATIONS OF EARLY OCTOBER, AS WITH EARLIER DEMONSTRATIONS, THE KING COUNSELED FIRST THE GOVERNMENT AGAINST USING FORCE, AND LATER THE STUDENTS TO ACCEPT GOVERNMENT CONCESSIONS. IN THE OCTOBER 14 OUTBURST, NEITHER ARMY NOR POLICE COMMANDERS HAD PLANNED BEFOREHAND TO EMPLOY VIOLENCE SYSTEMATICALLY TO SUPPRESS THE RIOTERS. THE KING EXERCISED HIS POWER IN THIS PARALYZED SITUATION, AND HELPED DEVELOP THE CONSENSUS THAT LED TO THE RESIGNATION OF THE THANOM CABINET AND ULTIMATELY THE DEPARTURE OF THANOM, PRAPHAT, AND NARONG, WHICH CALMED THE STORM.
- 3. THE KING MOVED OVERTLY INTO THE POLITICAL AREANA WHEN HE SELECTED THAMMASAT UNIVERSITY RECTOR SANYA THAMMASAK TO BE THE NEW PRIME MINISTER. IN AN UNPRECEDENTED MOVE, THE KING WENT BEFORE NATIONAL TELEVISION AND ANNOUNCED SANYA'S APPOINTMENT. THE PRINCESS MOTHER ALSO APPEALED FOR PUBLIC CALM. THESE WERE UNIQUE TIMES AND THEY CALLED FOR UNIQUE STEPS. IN THE IMMEDIATE AFTERMATH OF THE CHANGE IN GOVERNMENT, THE KING LENT HIS PRESTIGE TO THE SANYA CONFIDENTIAL

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GOVERNMENT AND SOUGHT TO MODERATE THE STUDENTS, THEREBY INTERTWINING HIS PRESTIGE WITH SANYA'S SUCCESS.

4. BECAUSE THE THANOM GOVERNMENT'S MISHANDLING OF A STUDENT DEMONSTRATION BROUGHT ABOUTITS OWN DOWNFALL, STUDENTS CAME TO UNPRECEDENTED PROMINENCE. CATAPULTED INTO POLITICAL PROMINENCE, THE STUDENTS HAVE BECOME THE VEHICLE FOR EXPRESSING THE DISCONTENTS OF THEIR TEACHERS

AND PARENTS, MOST OF WHOM REPRESENT THE BUREAUCRATIC ELITE. WITHOUT THIS SPOKESMAN ROLE, THE SUPPORT OF THE PUBLIC AT LARGE, AND THE BUNGLING OF THE THANOM GOVERNMENT, THE STUDENT MOVEMENT WOULD NOT ENJOY ITS PRESENT STATUS.

5. THE DISSATISFACTIONS DIRECTED AT THE THANOM GOVERN-MENT TAINTED THE ENTIRE POLITICAL SYSTEM IN WHICH THE MILITARY ENJOYED A PRIMARY CLAIM ON THE PERQUISITES OF POWER.

II CHARACTERISTICS OF THE SANYA GOVERNMENT TO DATE

6. AFTER THE SANYA GOVERNMENT'S FIRST EIGHT WEEKS IN OFFICE, ITS STRENGTHS AND WEAKNESSES ARE BECOMING APPARENT. IT GETS HIGH MARKS FOR ITS INTERGRITY AND PERSONAL QUALITIES. IN ITS SHORT TENURE TO DATE, IT HAS NOT SHOWN THAT IT HAS THE INNER TOUGHNESS TO GOVERN EFFECTIVELY A COUNTRY EXPERIENCING AN UPRECEDENTED DEGREE OF FREEDOM ACCOMPANIED BY TROUBLESOME ECONOMIC PROBLEMS. NEITHER HAS IT SATISFIED FULLY, OR ANSWERED SUFFICIENTLY, VALID CRITICISM ORIGINATING IN THE PRESS, AND AMONG THE ESTABLISHMENT AND STUDENTS.

A. STRENGTHS

7. THE SANYA GOVERNMENT'S GREATEST STRENGTH IS ITS VIVID DIFFERENCE FROM THE PREVIOUS REGIME. SANYA AND HIS CABINET COLLEAGUES PROJECT AN IMAGE OF HUMILITY AND AUSTERITY. THE PRIME MINISTER HAS WON POINTS FOR ESCHEWING HIS OFFICIAL MERCEDES-BENZ IN FAVOR OF A VOLKSWAGEN. IMPORTNATLY, SANYA AND MANY MEMBERS OF HIS CABINET HAVE REPUTATIONS THA ARE AS CLOSE TO UNIMCONFIDENTIAL

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PEACHABLE AS CAN BE FOUND ANYWHERE IN THAILAND. SOME ARE WELL-KNOWN FOR THEIR ABILITIES AS WELL. IN SUM, THIS GOVERNMENT PRESENTS AN EXCELLENT IMAGE OF BEING "FOR THE PEOPLE" IF NOT QUITE "OF" AND "BY" THEM.

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- 8. THE SANYA GOVERNMENT ALSO ENJOYS MUCH POPULAR GOODWILL BECAUSE THE KING SELECTED SANYA: THE ROYAL IMPRIMATUR HAS AN AURA OF SANCTITY IN THAILAND. SANYA'S PERSONAL IDENTIFICATION WITH BUDDHISM IS ALSO A CONSIDERABLE ASSET. HIS BALANCED DECISIONS, AND THE NIMBUS OF BUDDHIST MODERATION THAT SURROUNDS HIS PUBLIC PRONOUNCEMENTS, ARE IN KEEPING WITH THE BEST QUALITIES OF THE THAI NATIONAL CHARACTER.
- 9. SANYA'S CONSERVATISM IS ALSO A SIGNIFICANT POLITICAL STRENGTH, SANYA HAS COME TO POWER WITH A LIMITED LIST OF GOALS, NONE OF WHICH CALL FOR REVOLUTIONARY CHANGES. THIS MAKES IT EASIER FOR THE BUREAUCRATIC ELITE TO WORK WITH HIM, AND BY DOING SO FRESHEN THE IMAGE OF THEIR BUREAUCRACIES WITHOUT ATTENDANT WIDESPREAD REFORMS. ROYAL THAI ARMY COMMANDER GENERAL KRIT SIVARA'S ASSURANCES CONFIDENTIAL

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THAT THERE WILL BE NO MORE COUPS IS TESTIMONY TO THE ESTABLISHMENT'S ACCEPTANCE FOR NOW OF THE FAIT ACCOMPLI. KRIT'S CONSPICUOUS SUPPORT FOR SANYA IS ONE OF THE GOVERNMENT'S GREAT STRENGTHS

B. WEAKNESSES

10. THE PRIMARY SHORTCOMING OF THE SANYA GOVERNMENT IS ITS LACK OF A STRONGMAN IMAGE AND ROLE. THE POPULATION AT LARGE DOES NOT POSSESS WHAT WE WOULD CALL A CIVIC CONSCIOUSNESS BECAUSE THAILAND HAS TRADITIONALLY HAD A DOMINATING LEADER WHO LAID DOWN STRICT CONTROLS ON ALL ASPECTS OF PUBLIC BEHAVIOR. WITHOUT SUCH A STRONGMAN, THE THAI TEND TO SEEK PERSONAL AND INDIVIDUAL GAINS AT THE EXPENSE OF THE PUBLIC WEAL. MANY THAI BELIEVE THAT THEY WOULD BE MORE CONFORTABLE WITH A LEADER WHO WOULD DOMINATE THEM AND THE CIRCUMSTANCES IN WHICH THEY LIVE.

III. PERFORMANCE TO DATE

A. POLITICAL

- 11. THE SANYA GOVERNMENT WAS ESTABLISHED WITH THE MANDATE TO GUIDE THE COUNTRY TO REPRESENTATIVE GOVERNMENT. OTHER THAN THE PRIME MINISTER'S PUBLIC PROMISE TO P OMULGATE A CONSTITUTION WITHIN SIX MONTHS AND PROVIDE FOR ELECTIONS THEREAFTER, THE GUIDELINES OF THE SANYA GOVERNMENT HAVE BEEN CONTINUITY AND CARETAKERSHIP.
- 12. THE GOVERNMENT IS GIVING PRIORITY TO RESTORING THE PUBLIC CONFIDENCE IN THE NATION'S SECURITY AGENCIES. THE THAI NATIONAL POLICE DEPARTMENT (TNPD) WAS ONE OF THE FIRST BUREAUCRACIES TO FEEL THE STING OF REORGANIZATION. THE TNPD DIRECTOR-GENERAL AND HIS IMMEDIATE SUBORDINATES HAVE ALL PUBLICLY PLEDGED TO REDUCE CORRUPTION AND INCREASE EFFICIENCY. THE TNPD HAS ACTED FAIRLY RAPIDLY ON OUTSTANDING CORRUPTION AND PRIVATE INFLUENCE CASES, SUCH AS THE THUNG YAI HUNTING SCANDAL AND REMOVAL OF FORMER KORAT GOVERNOR PRAMUAN SATTHATHIP BECAUSE OF HIS INVOLVEMENT IN A MURDER CASE.

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13. THE SANYA GOVERNMENT HAS ALSO REDUCED FEARS THAT THE THREE OUSTED LEADERS WOULD STAGE A COMEBACK. ALBEIT RELUCTANTLY, THE GOVERNMENT USED ARTICLE 17 OF THE 1972 INTERIM CONSTITUTION TO FREEZE THE TRIO'S ASSETS. THE NAVY HAS EXPERIENCED COMMAND SHAKEUPS DESIGNED TO REMOVE THANOM AND PRAPHAT SUPPORTERS. THE DEPARTMENT OF LOCAL ADMINISTRATION HAS ALSO REMOVED A FEW GOVERNORS OF NOTORIOUS REPUTATION, SUCH AS THOSE IN BANGKOK AND ROIET, WHO RECEIVED THEIR APPOINTMENTS AT LEAST PARTLY BECAUSE OF THEIR ASSOCIATION WITH PRAPHAT. KRIT SIVARA HAS PUBLICLY STATED THAT THE ARMY WILL NOT "PLAY POLITICS". THOSE MOVES HAVE HAD THE SUPPORT OF THE BUREAUCRACIES

INVOLVED AND OTHER POWER GROUPS. THE SANYA GOVERNMENT HAS AVOIDED A DIRECT ATTACK ON THE VESTED INTERESTS THE MILITARY HAS BUILT UP OVER THE YEARS, AND THE SENIOR GENERALS IN THE ARMY HAVE NOT DIVORCED THEMSELVES FROM THEIR COMMERCIAL AND FINANCIAL ALLIANCES.

14. SANYA HAS TAKEN THE UNPRECEDENTED STEP OF OPENING A DIALOGUE BETWEEN THE GOVERNMENT AND THE PEOPLE. HE HAS EMBARKED ON A SERIES OF BIWEEKLY NATIONAL TELEVISION PROGRAMS IN WHICH HE AND HIS MINISTERS DISCUSS GOVERNMENT POLICIES. A SPECIAL PROGRAM COVERED RECENT ECONOMIC PROBLEMS GENERATED BY THE WORLD-WIDE INFLATION. THE GOVERNMENT HAS ALSO GONE PUBLIC IN OTHER AREAS. DEFENSE MINISTER AIR CHIEF MARSHAL DAWEE CHULLASAPYA GAVE AN HISTORICAL ACCOUNT OF MANY HITHERTO UNEXPLAINED REASONS FOR THE CLOSE THAI-AMERICAN RELATIONS IN ONE OF HIS BI-WEEKLY PRESS CONFERENCES. ASSISTANT POLICE DIRECTOR GENERAL VITHOON YASAWASDI, UNDER PUBLIC CRITICISM FOR PAST CIA CONNECTIONS, REVEALED AND EXPLAINED HIS ROLE AS COMMANDER OF THE THAI VOLUNTEER FORCES IN LAOS. THE SANYA GOVERNMENT, MORE THAN ANY THAI ADMINISTRATION WE CAN RECALL, HAS MADE A POLICY OUT OF COMING CLEAN WITH THE PEOPLE.

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15. THE CABINET HAS AN AURA OF COMPETENCE. ITS WEEKLY MEETINGS PRODUCE MORE AND CRISPER DECISIONS THAN THOSE OF ITS PREDECESSOR. THE APPOINTMENTS TO THE CONSTITUTIONAL DRAFTING COMMITTEE (CDC) REVEAL A GOOD COMBINATION OF HIGHLY QUALIFIED GOVERNMENT INSIDERS, LAY EXPERTS, AND PREVIOUS GOVERNMENT CRITICS. THE PRESS RELEASES AND PUBLIC STATEMENTS OF CDC MEMBERS GIVE THE POPULACE A RUNNING ACCOUNT OF THE COMMITTEE'S DELIBERATIONS. THESE STATEMENTS CONFIRM THAT THE NEW CONSTITUTION WILL ATTEMPT TO CORRECT PAST ABUSES.

16. A SERIES OF STEPS HAS BEGUN TO UNFOLD WHICH SUGGESTS THAT THE SANYA GOVERNMENT WILL SUCCESSFULLY GET AROUND THE IMPASSE THE THANOM APPOINTED NATIONAL LEGISLATIVE ASSEMBLY (NLA) POSES. MILITARY OFFICERS, WHO COMPOSED THE MAJORITY MEMBERSHIP, ANNOUNCED DECEMBER 10 CONFIDENTIAL

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THE "PATRIOTIC AND DEMOCRATIC" DECISION THAT THEY WOULD INDIVIDUALLY RESIGN. ACTING UNDER THE PROVISIONS OF THE 1972 INTERIM CONSTITUTION, THE KING ANNOUNCED ON DECEMBER 11 APPOINTMENTS TO A 2,346 BODY NATIONA GENERAL ASSEMBLY WHICH WILL BE EMPOWERED TO ELECT THE REPLACEMENTS, IN THE KING'S NAME, FOR THE 299 SEATS WITHIN THE (NEW) NLA.

17. THE SANYA GOVERNMENT HAS DEMONSTRATED A NOT ENTIRELY LAMENTABLE PENCHANT FOR LEGALISM. AN EXAMPLE OF THIS WAS THE EXTREME RELUCTANCE WITH WHICH SANYA INVOKED ARTICLE 17 OF THE INTERIM CONSTITUTION TO FREEZE THE

ASSETS OF THE DEPARTED TRIO. THE PRESS AND THE PUBLIC AT LARGE WANT TO SEE THESE ASSETS CONFISCATED AND THE TRIO TRIED (PROBABLY IN ABSENTIA) FOR THE DEATHS OF THE STUDENTS IN MID-OCTOBER. THE SANYA GOVERNMENT HAS TAKEN NO ACTION ON THESE DEMANDS, NOR HAS IT MOVED TO STRIP THE TRIO OF THEIR MILITARY RANKS. ON THE OTHER HAND, SANYA'S HESITANCY ON THSE ISSUES HAS POSITIVE ASPECTS. HIS RELUCTANCE TO USE ARTICLE 17 STEMS LARGELY FROM ITS UNDEMOCRATIC CHARACTER.

18. QUITE SURPRISINGLY IN VIEW OF THE INTENSE PUBLIC INTEREST IN THE CASE, THE SANYA GOVERNMENT HAS SEEMINGLY DECIDED AGAINST SPONTANEOUSLY FREEING THE THREE EX-

MEMBERS OF PARLIAMENT THAT THE NATIONAL EXECUTIVE COUNCIL (NEC) IMPRISONED ON CHARGES OF TREASON. THE EXPLANATION IS THAT THE THREE WERE IMPRISONED LEGALLY, AND THEREFORE HAVE TO BE FREED THROUGH THE SAME PROCESS.

19. ALTHOUGH THE ISSUE HAS SO FAR BEEN ONLY A MINOR
ONE IN THE PRESS, THERE HAS BEEN PRESSURE TO HAVE MINISTERIAL AND SUB-CABINET POLITICAL APPOINTEES RESIGN FROM
THEIR PERMANENT GOVERNMENT POSITIONS. WHILE THIS WAS ONE
OF SANYA'S INITIAL PROMISES, VIRTUALLY ALL OF THE MEMBERS
OF SANYA'S ADMITTEDLY TEMPORARY CABINET ARE DOUBLE-HALTING AND
HAVE RETAINED THEIR PERMANENT CIVIL SERVICE STATUS AND THEIR
SPECIFIC JOBS. THERE IS A POSSIBILITY THAT THE NEW CONSTITUTION,
OR THE ELECTION LAWS, WILL PREVENT THIS TRADITIONAL
DUPLICATION OF ROLES IN THE NEXT GOVERNMENT.
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B. ECONOMIC

20. MANY OF THE ECONOMIC PROBLEMS FACING THAILAND ARE LONG TERM ONES. FOR INSTANCE, HOW TO: FIND POLITICALLY ACCEPTABLE NEW SOURCES OF REVENUE TO PROVIDE INCREASED GOVERNMENT SERVICES; ACQUIE ENOUGH FOREIGN EXCHANGE TO PAY FOR DRASTIC JUMPS THAT CAN BE EXPECTED IN THE COST OF ENERGY; ENCOURAGE INVESTMENT PATTERNS THAT EMPHASIZE FARM PRODUCTIVITY, AND URBAN AND RURAL JOB CREATION; AND MATERIALLY REDUCE THE CURRENT POPULATION GROWTH RATE OF THREE PERCENT (3PERCENT) PER YEAR.

21. SANYA'S GOVERNMENT HAS A SHORT TENURE. SO FAR ITS ECONOMIC ACCOMPLISHMENTS RELATE MORE TO THE GOVERNMENT'S WILL AND DIRECTION THAN TO SOLID ACHIEVEMENTS. JUDGED ON THIS BASIS, THE GOVERNMENT FARES WELL. ITS PRINCIPAL MINISTERS WITH ECONOMIC RESPONSIBILITIES ARE CAPABLE AND HONEST. FINANCE MINISTER BOONMA WONGSAWAN IS THE CABINET'S MOST DYNAMIC MEMBER. IF OCTOBER MANIFESTED ONE THING, IT SHOWED THAT THAILAND WAS TIRED OF BEING GOVERNED BY THE SAME OLD GANG OF INEFFECTUAL AND CORRUPT MILITARY OFFICERS.

22. THE SANYA GOVERNMENT HAS TAKEN A FEW DIFFICULT DECISONS WHICH ECONOMIC EXPERTS AGREE ARE NECESSARY FOR THAILAND'S CONTINUED DEVELOPMENT. THE DECISION TO RAISE PRICES OF PETROLEUM PRODUCTS WAS NOT EASY, BUT NECESSARY. ENDING THE PROTECTION OF AN INEFFICIENT DOMESTIC FERTILIZER INDUSTRY STEPPED ON SOME TOES, BUT SHOULD HELP THE THAI FARMER INCREASE PRODUCTION. BEYOND THIS, THE GOVERNMENT ANNOUNCED TWO TAX REFORM PACKAGES WHICH WE BELIEVE ARE PART OF A LARGER PLAN TO SHIFT THE BURDEN

OF TAXATION TO THOSE MOST ABLE TO PAY, AND TO INCREASE GOVERNMENT REVENUES. IN SUM, FACED WITH DIFFICULT LONG TERM ECONOMIC PROBLEMS, THE SANYA GOVERNMENT HAS MADE SOME ENCOURAGING MOVES IN THE RIGHT DIRECTION. BUT THE DANGER REMAINS THAT THE SANYA GOVERNMENT MAY STILL BE DOING TOO LITTLE, TOO LATE.

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23. THE KEY ISSUE PERSISTS OF MAINTAINING A HIGH ECONOMIC GROWTH RATE WHILE INCREASING SOCIAL JUSTICE THROUGH IMPROVED INCOME DISTRIBUTION. ITS RESOLUTION IS LIKELY TO EXTEND WELL BEYOND THE TIME SPAN AVAILABLE TO THIS GOVERNMENT.

C. LABOR

24. SEVERAL WAVES OF SHORT DURATION STRIKES DURING THE LAST FEW MONTHS HAVE HIT BANGKOK, THE CENTER OF EIMNOMIC LIFE IN THAILAND. THE FREQUENCY OF THESE STRIKES HAS

DRAMATICALLY INCREASED SINCE THE SANYA GOVERNMENT SUPPLANTED THE MORE AUTHORITARIAN THANOM REGIME. TYPICALLY THE STRIKES LAST ONLY A DAY OR AT MOST SEVERAL DAYS. ALMOST ALL THE STRIKES HAVE BEEN SETTLED BY MANAGEMENT CONCESSIONS TO LABORERS' DEMANDS, ESPECIALLY CONFIDENTIAL

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FOR HIGHER WAGES. SANYA'S GOVERNMENT HAS PLAYED A DISCREET BEHIND THE SCENES ROLE IN SETTLING THESE DISPUTES.

THE UNPRECEDENTED SUCCESS OF THE STRIKE AS THAI LABOR'S WEAPON AGAINST MANAGEMENT HAS NO DOUBT ENCOURAGED WORKERS IN MORE AND MORE FIRMS TO TRY A SHORT STRIKE TO SECURE BETTER WORKING CONDITIONS OR HIGHER WAGES.

25. THE EFFECT OF THESE STRIKES ON PRODUCTION HAS BEEN MINIMAL. MILLS RUNNING AT FULL CAPACITY TO HANDLE THE HEAVY DEMAND FOR THAI TEXTILES LOST A DAY OR TWO'S PRODUCTION. DOMESTIC AND FOREIGN AIR CARRIERS SUFFERED DISRUPTION AND LOST SOME REVENUE WHEN THE ESSO STRIKE MADE AVIATION GAS UNAVAILABLE FOR A DAY. FINALLY, GOODS SAT ON THE DOCKS FOR TWO DAYS WHILE PORT STEVEDORES WERE TALKING WITH MANAGEMENT. THE PRODUCTION SIDE OF THAI ECONOMIC LIFE HAS NOT BEEN OVERLY AFFECTED.

26. IT IS TOO EARLY TO SAY WHETHER SETTLEMENTS WILL BE INFLATIONARY. ALTHOUGH MOST SETTLEMENTS HAVE MEANT MODEST RAISES FOR LABORERS WHICH SHOULD BE EASY FOR EMPLOYERS TO ABSORB IN PROFIT MARGINS, THE BIG CRUNCH IS YET

TO COME. THE RTG IS THE LARGEST EMPLOYER IN THE THAI ECONOMY. SOME GOVERNMENT ENTERPRISES, SUCH AS THE BANGCHAK REFINERY THAT SUMMIT PETROLEUM OPERATES, HAVE ALREADY BEEN STRUCK. TO EASE THE PAIN OF THE NEW TO THAILAND PHENOMENON OF INFLATION, THE RTG HAS COMMITTED ITSELF TO RAISE THE PAY SCALE OF MANY CIVIL SERVANTS, AND HAS EXPRESSED SYMPATHY, UP TO A POINT, FOR THE STRIKERS.

27. THE STRIKES, AND THE CONCESSIONS MADE TO STRIKERS, HAVE CREATED UNEASINESS IN THAILAND. SINCE THERE ARE NO ESTABLISHED PROCEDURES OR CHANNELS FOR PROTEST, IT WOULD HAVE BEEN PREFERABLE FOR THE GOVERNMENT TO HAVE MADE A CLEAR STATEMENT REGARDING ALLOWABLE LIMITS OF PROTEST BY LABOR WITH A WARNING THAT ANY RESORT TO VIOLENCE WOULD STIMULATE STRONG COUNTERACTION BY THAI SECURITY ELEMENTS. IF THE SANYA GOVERNMENT HAD GIVEN A FRAMEWORK OUTLINING WHAT WAS ALLOWED, CONSIDERABLE CONFUSION COULD HAVE BEEN AVOIDED. ON THE OTHER HAND, IT MIGHT ALSO HAVE BEEN AN INVITATION FOR EVERYONE TO STRIKE TO GET MORE MONEY. CONFIDENTIAL

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D. STUDENTS AND UNIVERSITIES

28. THE SANYA GOVERNMENT, IMMEDIATELY AFTER ITS INSTALLATION, BEGAN KEEPING IN CLOSE TOUCH WITH THE STUDENT MOVEMENT, PRIMARILY EMBODIED IN THE NATIONAL STUDENT CENTER OF THAILAND (NSCT). THE GOVERNMENT OFFERED THE NSCT A HEADQUARTERS, AND CONCURRED IN THE STUDENTS DIRECTING TRAFFIC FOR A FEW DAYS UNTIL THE DEMORALIZED POLICE WERE WILLING TO RETURN TO THE STREETS. THEY SANYA GOVERNMENT IS ANXIOUS TO CORRECT ITS PREDECESSOR'S MISTAKE OF NOT KNOWING THE STUDENTS, TT THE ASSIGNMENT OF THE ABLE AND EMPATHETIC LT. GEN. SAIYUD KERDPHOL AS LIAISON OFFICER WITH THE VARIOUS STUDENT ORGANIZATION HAS HAD MIXED RESULTS. SOME STUDENTS HAVE STRONGLY CRITICIZED THE NSCT, AND CHARGED IT WITH COOPERATING TOO CLOSELY WITH THE GOVERNMENT BY, FOR EXAMPLE, INCLUDING SAIYUD IN ITS MEETINGS.

29. SINCE THE COLLAPSE OF THE THANOM GOVERNMENT, THERE HAVE BEEN A NUMBER OF STUDENT STRIKES AND DEMONSTRATIONS AGAINST SCHOOL AND GOVERNMENT OFFICIALS UPCOUNTRY. THESE DEMONSTRATIONS HAVE CONTRIBUTED TO AN AURA OF INSTABILITY, AND ARE A SOURCE OF CONCERN TO THE GOVERNMENT. THE GOVERNMENT ISSUED A WARNING NOVEMBER 20 CALLING FOR A HALT TO SUCH DEMONSTRATIONS AND COUNSELING THE PEOPLE TO USE THE ESTABLISHED CHANNELS TO REDRESS THEIR GRIEVANCES.

30. THE GOVERNMENT HAS AVOIDED SEEKING STUDENT APPROVAL BEFORE IT ACTS. THE IMAGE OF THE GOVERNMENT IN THE TRADITIONALLY HIERARCHICAL THAI SOCIETY WOULD SUFFER CONSIDERABLY IF IT CATERED TO STUDENTS TO THAT EXTENT.

IV. MAJOR DEFICIENCIES

31. IN FAIRNESS TO TMV SANYA GOVERNMENT, IT HAS ONLY BEEN IN OFFICE EIGHT WEEKS. DURING THIS SHORT TIME IT HAS MADE CONSIDERABLE STRIDES IN PURSUING ITS PRIORITY GOALS. NONETHELESS, IT HAS FAILED TO SATISFY EVERYBODY, IN PART AT LEAST BECAUSE THE THAI PUBLIC HELD SUCH UNREALISTICALLY HIGH EXPECTATIONS OF IT. CONFIDENTIAL

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32. ONE OF THE MAJOR CRITICISMS IS THAT THEY SANYA GOVERNMENT IS NOT BEING AMBITIOUS ENOUGH IN DEFINING ITS GOALS. FROM THE OUTSET SANYA ODE CLEAR THAT HIS WAS AN INTERIM GOVERNMENT. THE GOVERNMENT SEEMS TO HAVE CONFINED ITS DNDEAVORS TO COPING WITH THE MOST SERIOUS PROBLEMS THAT COME UP, AND ADVANCING THE COUNTRY ON ITS COURSE TO CONSTITUTIONAL GOVERNMENT AND PARLIAMENTARY ELECTIONS. DESPITE CONSIDERABLE ENCOURAGEMENT FROM THE PRESS AND THE PUBLIC, THE GOVERNMENT HAS NOT FACED THE PROBLEM OF CORRECTING THEY MANY SOCIAL AND ECONOMIC INJUSTICES THAT HAVE PLAGUED THAILNAND FOR SO LONG, AND WHICH ARE DAILY MANIFESTED IN THE WILD-CAT STRIKES, DEMONSTRATIONS, AND PROTESTS.

3. BECAUSE OF ITS CONSERVATISM AND TACIT ACCEPTANCE OF A WEAK POSITION, THE SANYA GOVERNMENT HAS MADE FEW CONFIDENTIAL

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MOVES AGAINST THE OLD ESTABLISHMENT, PERSHAPS OUT OF FEAR OF RISKING THE LOSS OF WHAT THE COUNTRY HAS GAINED THROUGH THE DEMISE OF THE FORMER GOVERNMENT. THE MINISTRY OF INTERIOR REMAINS LARGELY UNCLEANSED OF OFFICIALS CLOSELY IDENTIFIED WITH OUSTED MINISTER PRAPHAT CHARUSATHIEN.

34. ANOTHER FREQUENTLY HEARD COMPLAINT IS THAT LAW AND ORDER IS BREADKING DOWN. THERE HAS BEEN AN INCREASE IN ROBBERIES AND A LACK OF CONTROL OVER SUCH PUBLIC NUISANCES AS EXCESSIVE SIDEWALK VENDORS. THE POLICE ARE SIMPLY NOT TAKING SUFFICIENT ACTION TO MASTER THE SITUATION. THESE ARE THE SYMPTOMS OF THE ABSENCE OF THE STRONGMAN IMAGE AND ROLE.

35. THROUGH NO REAL FAULT OF HIS OWN, SANYA'S THAILAND IS NOT AS ATTRACTIVE TO MOST FOREIGN INVESTORS AS WAS THANOM'S. THE BASIC REASONS ARE EROSION OF STABILITY AND PREDICTABILITY. WHILE THANOM WAS IN POWER, INVESTORS THOUGHT THEY KNEW WHAT THEY WERE GETTING INTO. THE EVENTS OF OCTOBER 14 PROVED MANY OF THEM WRONG. SOME INTERNATIONAL BANKERS HAVE ALREADY BEGUN TO CAUTION THEIR CLIENTS AGAINST INVESTMENT IN THAILAND UNTIL THE PICTURE HERE CLARIFIES. THIS FEELING OF UNCERTAINTY COULD RESULT IN A FLATTENING OF THE INFLOW OF NEW INVESTMENT.

36. THE GOVERNMENT HAS CONCENTRATED ITS ATTENTION ON BANGKOK WHERE THE REVOLUTION WAS MADE. PRIME MINISTER SANYA MADE NO MENTION OF THE RURAL INSURGENCY IN HIS FOURTEEN POINT PROGRAM DURING HIS INAUGURAL ADDRESS TO THE NATIONAL LEGISLATIVE ASSEMBLY OCTOBER 25. ALTHOUGH SANYA'S PROGRAM WAS STRIKINGLY SIMILAR TO THANOM'S ADDRESS OF THE PREVIOUS YEAR, ONLY THANOM LISTED THE INSURGENCY. THE GOVERNMENT HAS NOT PLACED EMPHASIS ON ITS DEALINGS WITH UPCOUNTRY THAILAND, OR, FOR THAT MATTER, ON FOREIGN RELATIONS.

37. OVERALL, THE SANYA GOVERNMENT HAS BEEN SOMEWHAT HESITANT AND LACKING IN RESOLUTION. IT HAS LAEGELY BEEN REACTING TO EVENTS RATHER THAN ANTICIPATING PROBLEMS CONFIDENTIAL

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AND TAKING PRIOR ACTION TO AVOID THEM. YET FROM THE PERSPECTIVE OF BOTH SANYA AND THE STUDENTS, INDECISIVENESS MAY SEEM EXPECTED AND UNDERSTANDABLE. THEIR COMBINED OBJECTIVE IS TO GET A STRONG CONSTITUTION AND A NEW GOVERNMENT

THAT CAN DEAL DECISIVELY WITH ISSUES ON A CLEARLY DEFINED LEGAL BASIS RATHER THAN THE ARBITRARY (IN THEIR VIEW) PROCESSES OF A MILIARY OR CIVILIAN GOVERNMENT CONCERNED VBIMARILY WITH ITS OWN PERSONAL "SECURITY" WITHIN TRADITIONAL THAI BUREAUCRATIC POLITICS.

38. SUCH A PERSPECTIVE WILL NOT NECESSARILY SAVE THE SANYA GOVERNMENT FROM POSSIBLE REACTION OF THOSE WHO PREFER GREATER STABILITY AND DECIDEDNESS. AND THESE PEOPLE ARE NOT LIMITED TO GOVERNMENT PERSONNEL. THE THAI PEASANT ALSO PREFERS ORDER AND DECISIVENESS PROVIDED BY OTHERS SO LONG AS IT DOES NOT "OPPRESS" HIM. EVEN AMONG STUDENTS THERE ARE THOSE WHO, UNDER CERTAIN CHAOTIC CIRCUMSTANCES, WOULD ACCEPT THE RETURN OF A MAN ON HORSEBACK

V. THE CURRENT ROLE OF MAJOR POWER SEGMENTS

A. THE MONARCHY

39. SINCE HIS APPOINTMENT OF SANYA, KING BHUMIPHOL HAS ENDEAVORED TO RETREAT FROM THE SPOTLIGHT HE OCCUPIED AT THE TIME OF THE CHANGE OF GOVERNMENT. UNTIL ANNOUNCING THE NATIONAL GENERAL ASSEMBLY, HE STAYED OUT OF THE DAY-TO-DAY RUNNING OF THE GOVERNMENT, AND HAS AVOIDED MAKING PUBLIC PRONOUNCEMENTS THAT WOULD EMBROIL HIM IN CONTROVERSY. HE HAS MADE IT CLEAR THAT HE BELIEVED THE NATION REQUIRED HIS TAKING THIS SECOND DRAMATIC STEP.

40. AS ALWAYS, THE KING HAS SET AN EXAMPLE OF BEHAVIOR HE CONSIDERED APPROPRIATE TO THE CIRCUMSTANCES. IN THIS INSTANCE, HE HAS COUNSELED AUSTERITY AND FRUGALITY BECAUSE OF THE ECONOMIC PROBLEMS AND THE OIL SHORTAGE BESETTING THAILAND. HE HAS BACKED UP HIS WORDS BY CONCELLING FIRST THE OSTENTATIOUS STREET LIGHTING THAT NORMALLY HERALDS HIS BIRTHDAY, AND LATER MANY OF THE FESTIVITIES THEMSELVES.

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B. THE CIVIL SERVICE

41. THE LARGELY APOLITICAL CIVIL SERVANTS HAVE BEEN DOING THEIR JOBS ON A BUSINESS-AS-USUAL BASIS. THOSE WITH POLITICAL APPOINTMENTS, AND THOSE WHO HAVE BEEN ASKED TO HELP FINISH THE CONSTITUTION AND DRAFT THE ELECTION LAWS, HAVE BEEN WORKING OVERTIME. SO FAR, THERE HAVE BEEN NO STRIKES AMONG CIVIL SERVANTS, BUT EMPLOYEES OF SEVERAL STATE OWNED ENTERPRISES HAVE STRUCK. THE CIVIL BUREAUCRACY, AS WITH THE DOEZEN OR SO COUPS SINCE 1932, KEEPS THE GOVERNMENT GOING AS THE PRINCIPAL ACTORS EXIT AND ENTER THE STAGE.

C. THE MILITARY

42. FROM THE VERY INCEPTION OF THE SANYA GOVERNMENT, MANY CONFIDENTIAL

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TOP THAI MILITARY LEADERS HAVE TAKEN THE VIEW THAT THE SANYA GOVERNMENT IS INCAPABLE OF PROPERLY GOVERNING THAILAND, AND THAT A RETURN TO A MORE PROMINENT MILITARY ROLE IS INEVITABLE. BECCAUSE OF LABOR UNREST AND PROBLEMS IN HANDLING THE STUDENTS, MANY THAI MILITARY ARE QUITE

CRITICAL OF THE SANYA GOVERNMENT AT THIS TIME. WE HAVE NO EVIDENCE, HWEVER, THAT THE MILITARY ARE COVERTLY UNDERMINING PUBLIC CONFIDENCE IN THE GOVERNMENT.

43. GENERAL KRIT SIVARA IS THE KEY MAN AND HAS SO FAR RESTRAINED MILITARY LEADERS WHO HAVE SUGGESTED TO HIM THAT THE ARMY PLAY A STRONGER ROLE. KRIT HAS PUBLICLY STATED HIS FULL SUPPORT FOR THE SANYA GOVERNMENT. AT THE SAME TIME HE SEEMS TO HAVE AUTHORIZED THE MILITARY AND THE POLICE TO BE PREPARED TO PLAY A STRONGER ROLE IN CONTROLLING THE SECURITY SITUATION IN CASE LABOR UNREST CAUSES MORE SERIOUS PROBLEMS. WE BELIEVE THAT KRIT IS SINCERE IN HIS STATEMENTS OF SUPPORT FOR THE SANYA GOVERNMENT. MORE SERIOUS TROUBLE FROM LABOR, THE STU-DENTS, OR OTHER ELEMENTS COULD, HOWEVER, CUASE HIM TO CHANGE HIS POSITION AND BE MORE RECEPTIVE TO THOSE MILITARY LEADERS, SUCH AS LT. GEN. PRASERT THAMMSIRI, THE COMMANDDER OF THE FIRST ARMY AREA (THAT COMPRISES BANGKOK AND ITS ENVIRONS), WHO FAVOR A STRONGER MILITARY ROLE.

44. EVEN IF KRIT CHANGES HIS POSITION, WE BELIEVE THAT HE WILL MAKE MOVES IN SUPPORT OF AND WITHIN AT LEAST THE NOMINAL APPEARANCE OF CONTINUING THE LEADERSHIP OF THE SANYA GOVERNMENT.

45. THE KING IS THE KEY MAN IN DETERMINING WHETHER THE MILITARY WILL PLAY A STRONGER GOVERNMENT ROLE. SHOULD HE INDICATE A LACK OF CONFIDENCE IN THE PRIME MINISTER'S LEADERSHIP, THIS WOULD BE A CLEAR SIGNAL TO KRIT. BECAUSE THE KING'S PRESTIGE IS SO CLOSELY INVOLVED IN THE SANYA GOVERNMENT, WE DO NOT BELIEVE THAT HE WOULD ACCEPT A STRONGER ROLE BY THE MILITY ONLY WITHIN THE FRAMEWORK OF THE PRESENT GOVERNMENT.

46. THE MILITARY MEANWHILE HAS BASICALLY BEEN LYING CONFIDENTIAL.

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LOW TO AVOID DRAWING ATTENTION TO ITSELV.THE COLLAPSE OF THE THANOM REGIME, AND THE EVIDENT LACK OF POPULAR SUPPORT THE MILITARY, SHOOK MILITARY MORALE. THERE HAS YET TO BE ANY SERIOUS CHALLENGE TO THE BUREAUCRATIC PERQUISITES THAT IT HAS TRADITIONALLY ENJOYED.

D. STUDENTS

47. STUDENTS HAVE SO FAR MADE FEW DEMANDS ON THE CENTRAL GOVERNMENT. THE SUGGESTION TO REORGANIZE THE PUBLIC RELATIONS DEPARTMENT TO EDUCATE THE PEOPLE IN DEMOCRACY IS THE SOLE PUBLIC NSCT REQUEST OF THE RTG. THE

FEDERATION OF INDEPENDENT STUDENTS OF THAILAND (FIST) IS MORE OUTSPOKEN AND VARIED IN ITS DEMANDS. FIST IS A SMALL ACTIVIST SPLINTER GROUP BUILT ON THE PERSONAL FOLLOWING OF A LEADER WHO BELIEVED THAT THE NSCT WAS TOO WILLING TO COOPERATE WITH THE GOVERNMENT. ALL THREE MAJOR STUDENT ORGANIZATIONS--NSCT, THE NATIONAL VOCATIONAL STUDENTS CENTER OF THAILAND (NVSCT), AND FIST--HAVE NEVERTHELESS THROWN THEIR WEIGHT BEHIND THE GOVERNMENT IN ISSUING A JOINT STATEMENT CALLING FOR A HALT TO LABOR STRIKES. ALL THREE ALSO ESPOUSE UPCOUNTRY EDUCATIONAL PROGRMS TO TEACH THE VILLAGERS THEIR DEMOCRATIC RESPONSIBILITIES. THE GOVERNMENT REPORTEDLY WILL HELP FUND SOME OF THESE ACTIVITES.

48. THE INFLUENCE OF THE STUDENTS ON EVENTS IN THAILAND DEPENDS ON THE SITUATION AND PUBLIC SUPPORT. AT THE HEIGHT OF STUDENT POWER IN OCTOBER, THE STUDENTS WERE NOT ONLY ACTIVING FOR THEMSELVES, BUT WERE ARTICULATING THE FEELINGS OF THE GENERAL PUBLIC.

49. DURING THE UPCOMING ELECTIONS THE STUDENTS WILL BE AN INFLUENTIAL PRESURE GROUP AFFECTING THE ELECTION RESULTS, PARTICULARLY SINCE THE VOTING AGE HAS BEEN LOWERED TO 18. EVEN IF THE STUDENTS ARE NOT ASSOCIATED WITH A PARTICULAR POLITICAL PARTY, THEIR PLANS TO CONUDCT EDUCATIONAL CAMPAIGNS UPCOUNTRY WILL HAVE SOME POLITICAL EFFECT. AS IN THE 1968 ELECTIONS, THE STUDENTS PLAN TO PERFORM POLL WATCHING DUTIES ON ELECTION DAY.

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50. AT THE MOMENT THE BANGKOK BASED UNIVERSITY STUDENT ORGANIZATIONS SEE THEIR RESPONSIBILITIES AS DEVELOPING AN EDUCATIONAL ROLE ANALOGOUS TO THE AMERICAN LEAGUE OF WOMEN VOTERS. THERE IS SOME POSSIBILITY THAT A CANDIDATE EXTREMELY POPULAR WITH THE STUDENTS, DR. PEUY UNGPHAKORN, WILL HEAD A POLITICAL PARTY. IN THAT CASE WE CAN EXPECT A GREAT DEAL OF STUDENT FAVORITISM FOR HIM, ALTHOUGH STUDENT ORGANIZATIONS MAY FOREGO ENDORSEMENT.

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51. IN THE PRE-ELECTION PERIOD, THE ACTIVIST STUDENT ORGANIZATIONS, PRIMARILY FIST, WILL BE OUTSPOKEN AND CRITICAL. THEY WILL DIRECT THEIR ATTENTION BOTH TO THE SANYA GOVERNMENT AND THE UNITED STATES. WHILE THEY WILL BE ABLE TO KEEP THE HEAT ON, THERE ARE LIMITATIONS AS TO HOW EFFECTIVE THEY ULTIMATELY WILL BE. MOST STUDENTS ARE AWARE THAT IF THEY GO TOO FAR, THEY WOULD THEREBY OFFER AN EXCUSE FOR THE MILITARY TO ASSERT A STRONGER ROLE. THE POTENTIAL EXISTS, HOWEVER, THAT THE ACTIVISTS WILL UNEARTH A POPULAR ISSUE WHICH COULD CONSIDERABLY DISCONFORM THE GOVERNMENT, THE UNITED STATES, OR BOTH.

52. THERE IS A DISRUPTIVE FACTION WITHIN THE STUDENT MOVEMENT THAT SHOULD BE RECOGNIZED. THE POLITICALLY NAIVE VOCATIONAL AND TECHNICAL STUDENTS (RATHER THAN UNIVERSITY STUDENTS) MOVED BEYOND THE UNIVERSITY STUDENTS CONFIDENTIAL.

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TO PRESSURE THE SECURITY FORCES ON OCTOBER 14 AND 15, AND FORCED THE GOVERNMENT LEADERS TO EXILE. THE UNIVERSITY BASED NSCT HAD ALREADY MADE PEACE WITH THE THANOM GOVERNMENT OCTOBER 13, AND

ISSUED A STATEMENT CONDEMNING THE RIOTERS THE NEXT DAY. THE VOCATIONAL STUDENTS ARE ADDITIONALLY BEHIND MOST OF THE DEMONSTRATIONS AGAINST GOVERNMENT AND SCHOOL OFFICIALS UPCOUNTRY. THEY DEMONSTRATED EMOTIONALLY AGAINST THE SWEDISH EMBASSY AND THE PRESTIGIOUS SIAM RATH NEWSPAPER FOR PRINTING A LETTER FROM SWEDEN CRITICAL OF THE KING. THE LACK OF SOPHISTICATION OF THESE STUDENTS, WHO HAVE JUST RECENTLY FOUNDED THEIR OWN NVSCT. COULD BECOME A PRIME SOURCE OF UNREST.

53. PRINCIPALLY BECAUSE OF THE MORE MILITANT VOCATIONAL STUDENT ACTIVITIES, THERE IS A GROWING FEELING AMONG THE MIDDLEAGED AND OLDER GENERATIONS IN BANGKOK, AS WELL AS IN MAJOR URBAN CENTERS OUTSIDE THE CAPITAL, THAT LEFTIST ELEMENTS ARE INCREASINGLY INFLUENCING THE STUDENTS. WE HAVE NO DIRECT EVIDENCE TO SUPPORT THIS CONTENTION, BUT IT HAS THE EFFECT OF AROUSING SUSPICIONS AND POSSIBLY REDUCING POPULAR SUPPORT FOR STUDENT OBJECTIVES.

54. A FACTOR TO CONSIDER WHEN EVALUATING THE IMPACT OF STUDENT POWER IS THAT THAILAND REMAINS A HIERARCHICAL SOCIETY. SOME STUDENTS HAVE INFLUENCE AS SONS AND DAUGHTERS OF THE ELITE, BUT THEIR INFLUENCE IS LIMITED BY THAI SOCIETY'S PATRONIZING VIEW OF THEIR ROLE. THE STUDENTS ARE NOT THE FINAL ARBITERS OF THAI POLITICAL LIFE. AFTER A WHILE THE PRESTIGE OF OUSTING THE THANOM GOVERNMENT WILL WEAR THIN.

E. THE "THIRD HAND"

55. NO ANATOMY OF THE BODY POLITIC IN TODAY'S THAILAND WOULD BE COMPLETE WITHOUT A REFERENCE TO THE CHIMERICAL "THIRD HAND". AS NEAR AS WE CAN TELL, IT REMAINS A FIGMENT OF THE IMAGINATION OF MANY THAI, AND CONTINUES TO FLOOURISH THERE AS A GENERIC TERM FOR ALL SINISTER AND OUTSIDE FORCES. IT ENABLE S THE THAI TO EXPLAIN AWAY VARIOUS FLAWS IN THEIR SOCIETY WHICH THEY ARE UNWILLING OR UNABLE TO ACKNOWLEDGE IN ANY OTHER FORM. CONFIDENTIAL

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DEPENDING ON THE CONTEXT, THE TERM MAY REFER TO THE COMMUNIST PARTY OF THAILAND (CPT), THE CENTRAL INTELLIGENCE AGENCY, OR NEFARIOUS ELEMENTS EXACERBATING LABOR STRIKES FOR THEIR OWN COMMERCIAL OR POLITICAL REASONS.

56. WHILE IT IS SAFE TO ASSUME THAT THERE ARE COVERT FORCES PLAYING ON THE PRESENT UNEARY SITUATION, WE HAVE NO EVIDENCE TO SUGGEST THAT THERE IS ANYTING APPROACHING A MONOLITHIC "THIRD HAND" MANIPULATING STRINGS TO POPULAR DISADVANTAGE. SO FAR, NO INVESTIGA-

TIVE REPORTING OR INTELLIGENCE GATHERING HAS MANAGED TO UNGLOVE ANYBODY OR ANYTHING WHICH COULD REASONABLY BE POINTED TO AS A DIGIT OF THE MALEVOLENT THIRD HAND.

VI. GOVERNMENT PROSPECTS

57. GIVEN CUS ANNOUNCED SHORT MANDATE AND STRONG DESIRE FOR ITS OWN OBSOLESCENCE, WE ENVISION THAT THE SANYA GOVERNMENT WILL CONTINUE IN POWER UNTIL THE SUMMER OF 1974. THE CURRENT WAVE OF STRIKES COULD PROVE INCREASINGLY DISRUPTIVE. IF THEY GET OUT OF HAND, WE WOULD EXPECT THE MILITARY, OR PERHAPS THE POLICE, TO MOVE IN TO ASSERT A FIRMER GOVERNMENT AUTHORITY UNDER SANYA'S UMBRELLA RATHER THAN ARROGATING POWER TO THEMSELVES.

58. IF THIS OCCURS A STRONGER SECRUITY-MILITARY ELEMENT INVOLVEMENT IN A TEMPORARY GOVERNMENT MAY BE ACCEPTABLE TO STUDENTS AND THE PEOPLE PROVIDED THE CIVILIAN GOVERNMENT REMAINS UNCHANGED. OF COURSE, THIS WOULD ALSO HAVE TO COME WITH THE KING'S BLESSING.

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59. WE ALSO EXPECT THAT HIGH POINTS OF PUBLIC INTEREST WILL PERIODICALLY ABSORB THE PRESS AND THOSE OTHER ELEMENTS IN BANGKOK GIVEN TO QUESTIONING GOVERNMENT POLICIES. THE FIRST HIGH POINT WOULD BE THE PUBLICATION OF THE CONSTITUTION ABOUT JANUARY 15. ENSURING PUBLIC DISCUSSION, AND NATIONAL LEGISLATIVE ASSEMBLY DEBATE OF THAT DOCUMENT, SHOULD ABSORB PUBLIC ATTENTION FOR MOST OF THE TIME UNTIL PROMULGATION OF THE NEW CONSTITUTION, ABOUT APRIL 15. THAT WOULD BE THE SECOND HIGH POINT.

60. WHATEVER SLACK IN PUBLIC INTEREST MIGHT OCCUR BETWEEN PUBLICATION OF THE DRAFT CONSTITUTION AND ITS PROMULGATION IN FINISHED FORM SHOULD BE TAKEN UP BY THE POLITICAL CAMPAIGNING FOR THE NEW ASSEMBLY. BETWEEN APRIL 15 AND THE THIRD HIGH POINT JULY 15, OR OPATEVER CONFIDENTIAL.

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DATE IS ULTIMATELY SET FOR THE ELECTTONS, POLITICKING SHOLD BE INTENSE AND WILL FOCUS ATTENTION AWAY FROM SOME OF THE MORE SERIOUS ISSUES FACING THE COUNTRY.

61. WHILE WE CANNOT DISCOUNT THE POLITICAL DAMAGE TO SANYA THAT A PROLONGED PUBLIC UTILITIES STRIKE OR MOUNTING INFLATION MIGHT HAVE, WE BELIEVE THAT HIS GOVERNMENT WILL SURVIVE UNTIL AN ELECTED REGIME REPLACES IT.

62. WE OFFER THE FOREGOING AS THE MOST LIKELY SCENARIO, SINCE IT PROBABLY RESTS ON A TRINAGULR UNDERSTANDING BETWEEN THE KING, SANYA, AND GENERAL KRIT. THE PLAYING OUT OF THE SCENARIO, HOWEVER, IS HEAVILY DEPENDENT UPON SANYA CARRYING OUT HIS UNSOUGHT ROLE WITH GREATER VIGOR THAN HE HAS THUS FAR DEMONSTRATED. IF HIS IMAGE OF SELF-EFFACING INEFFECTUALITY SHOULD GROWN, THERE ARE ELEMENTS WITHIN THE ARMY THAT MIGHT WISH TO PUT AN END TO THE PRESENT REGIME AND REPLACE IT WITH A MODIFIED MILITARY ONE. WHETHER SUCH A MILITARY BID TO RETURN TO POWER WOULD LEAD TO WIDESPREAD DISORDERS WOULD DEPEND UPON THE MILITARY AVOIDING A DIRECT CONFRONTATION WITH THE KING AND ON THE SERIOUSNESS OF THE SITUATION WHICH PROVOKED THE MILITARY MOVE. IT IS ANTICIPATED THAT THOSE FORCES WITHIN AND OUTSIDE OF THAILAND OPPOSED TO THE U.S. PRESENCE HERE WILL TAKE EVERY OPPORTUNITY TO CAPITALIZE ON THE INTERREGUM PERIOD LYING AHEAD. KINTNER

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